

DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 1, 2016

8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico

Docket Nos. 37-16 and 38-16 are tentatively set for September 15, 2016 and September 29, 2016. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule Subsection B of 19.15.4.13 NMAC requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson seven (7) business days prior to the hearing requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer. The following cases will be heard by an Examiner.

Locator Key for Cases

Case 15277 - No. 1
Case 15490 - No. 8
Case 15491 - No. 18
Case 15498 - No. 19
Case 15507 - No. 9
Case 15508 - No. 10
Case 15510 - No. 11
Case 15511 - No. 12
Case 15512 - No. 13
Case 15513 - No. 14
Case 15515 - No. 15
Case 15516 - No. 16
Case 15519 - No. 17
Case 15521 - No. 6
Case 15531 - No. 7
Case 15537 - No. 2
Case 15538 - No. 3
Case 15539 - No. 4
Case 15540 - No. 5

1. Case No. 15277 (re-opened): (Continued from the August 4, 2016 Examiner Hearing.)

Application of Blue Sky Company, Inc. to reopen Case No. 15277 to ask for an extension of the deadlines in compliance Order No. R-14155 dated April 25, 2016, Chaves County, New Mexico. The purpose of the extension is such that Blue Sky can present a successor operator who can provide additional resources for bonding and other compliance issues, as well as other additional resources to re-establish injection authority, which will allow production on the Twin Lakes Unit in Chaves County, New Mexico.

2. Case No. 15537: Application of COG Operating LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order (i) creating a 240-acre non-standard oil spacing and proration unit (project area) comprised of the E/2 W/2 of Section 8, Township 19 South, Range 32 East and the E/2 SW/4 of Section 5, Township 19 South, Range 32 East, NMPM, in Lea County, and (ii) pooling all mineral interests in the Bone Spring formation underlying this acreage. The project area is to be dedicated to applicant's **King Air 8 Fed Com #3H well**, which will be horizontally drilled from a surface location in Unit C of Section 17, Township 19 South, Range 32 East to a bottom hole location in Unit K of Section 5, Township 19 South, Range 32 East. The completed interval for the well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of COG Operating LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately 14 miles southeast of Loco Hills, New Mexico.

3. Case No. 15538: Application of BC Operating, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an pooling all uncommitted interests in the Wolfcamp formation (WC; Salt Draw; Wolfcamp, (Gas) (97721)) underlying the 320-acre, more or less, spacing and proration unit comprised of the E/2 of Section 34, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit is to be dedicated to applicant's proposed **Kyle 34 Federal Com No. 5H Well**, which will be drilled horizontally from the SE/4 SE/4 (Unit P) to a non-standard bottomhole location in the NE/4